

Bulletin

APRIL – SCHEDULE OF EVENTS

17 –
Association of
Tribal and
State Gaming
Regulators
Meeting.
Rumsey
Indian
Rancheria
Brooks, CA

23 - Gambling
Control
Commission
Meeting.
2399 Gateway
Oaks Drive,
Sacramento,
CA

30 – Quarterly
Contributions
are Due into
the Indian
Gaming
Special
Distribution
Fund

30 – Quarterly
Reports Due
from Slot
Machine
Manufacturers
and
Distributors

INDIAN GAMING REVENUE SHARING TRUST FUND CONTRIBUTIONS AND DISTRIBUTIONS

At the conclusion of the quarter ending March 31, 2003, gaming device license fees and interest earned in the amount of \$3,780,000 have been deposited into the Indian Gaming Revenue Sharing Trust Fund. Assuming there are 75 eligible tribes to receive equal share distributions from the Fund, the expected distribution per tribe will be approximately \$50,000.

The amount of outstanding contributions due into the Fund at the end of the first quarter of 2003 was approximately \$5,458,000. Compact Section 4.3.2.3 provides that a tribe shall not conduct any gaming activity authorized by the Compact if the tribe is more than two quarterly contributions in arrears in its license fee payments into the Fund. If the total contributions due at the end of the quarter had been paid into the Fund, recipient tribes would receive an estimated additional \$72,000.

The Commission, as trustee, sends out regular quarterly invoices for the payment of license fees prior to the beginning of each quarter. Additionally, the Commission follows standard collection practices, which includes noticing those of past due amounts, and has initiating procedures if action is needed under the provisions of Compact Section 4.3.2.3 noted above.

Under the terms of the Tribal-State Gaming Compacts, the Fund serves as the depository for payments made by tribes that have acquired gaming device licenses. Tribes that conduct gaming are exempt from making such payments on those gaming devices that were in operation prior to September 1, 1999. Tribes make quarterly payments based on the number of their gaming device licenses pursuant to the tiered rate schedule in Section 4.0 of the Compacts.

As part of the streamlined eligibility verification process, the Commission has forwarded gaming device certification forms to tribes that have Compacts and are gaming below the 350-machine limit. These forms must be filed with the Commission in order to receive a distribution from the Fund. This new process has helped to expedite the regular quarterly distribution of moneys from the Fund.

SLOT MACHINE REGISTRATION PROGRAM

The Commission is targeting the end of April to have posted on its website a list of registered gaming device manufacturers and distributors that are authorized to manufacture, distribute, store, repair, or transport gaming devices in California.

The Gambling Control Act requires the Commission to adopt regulations concerning the licensing of manufacturers and distributors of gambling equipment. While there are criminal penalties for the unlawful manufacture and possession of slot machines, prior to the adoption of the regulations, there was no system for monitoring or oversight of slot machine trafficking in this state, other than transportation notices required pursuant to the Tribal-State Gaming Compact.

In October of 2002, the Commission adopted an emergency regulation that outlines a basic scheme under which applicants may obtain "registration" as a manufacturer or distributor of gambling equipment by submitting an application and quarterly reports to the Commission. After December 31, 2002, no person may manufacture, distribute, store, repair, or transport gambling equipment in California unless that person has a currently valid registration as a manufacturer or distributor in accordance with the Commission's regulations.

COMMISSION TO CONSIDER TWO COMPONENTS OF THE GAMING PATRONS' BILL OF RIGHTS

At its upcoming meeting on April 23, 2003, the Commission will consider proposed regulations intended to provide for the physical safety of gaming patrons during natural and man-made emergencies and one that would publicize awareness programs in gambling establishments to provide avenues of assistance to problem gamblers. These proposals are part of a package called The Gaming Patrons' Bill of Rights that is intended to provide basic protections for gaming patrons in cardrooms and Indian Casinos.

The proposed regulations are being developed in conjunction with both segments of the gaming industry and recognize the concurrent authority of the governmental jurisdictions involved. The proposed regulations on emergency preparedness and evacuation plans have been shaped as a result of input provided by industry representatives at Commission meetings, the Association of Tribal and State Gaming Regulators meetings and at the Association's Working Group meetings. In addition, state and local governmental regulatory and emergency response agencies were consulted in the development of the proposed regulations. As it pertains to the proposal on gambling addiction awareness programs and services, input was received from problem gamblers, providers of counseling services, and industry representatives at Commission meetings and at a Gaming Policy Advisory Committee meeting.

In addition to the two regulatory proposals that are scheduled to be discussed at the April 23, 2003 meeting, the Commission plans to work with the respective industries and appropriate professionals to develop regulations on dispute resolution, protection of intoxicated patrons, security plans, voluntary exclusion lists, posting of odds in player-banked games (cardrooms only), and disclosure of odds – payout percentages for gaming devices (Indian casinos only).

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION HEARING

On March 18, 2003, the Assembly Committee on Governmental Organization held an informational hearing on Indian gaming in California. The meeting gave the Legislature and the general public an opportunity to get a better understanding of the history of Indian gaming in California, the roles of various governmental agencies with respect to Indian gaming, and the impacts that gaming has had on tribal governments, its people, and the community at large.

The Committee has primary jurisdiction over gaming-related matters in the Assembly. It consists of twenty-six members of which seven are serving their first term in the Assembly. Tapes of the March 18, 2003 Committee hearing are available from the Assembly Television Office at (916) 319-2813.

CURRENT LEGISLATION

AB 113 (Chavez)	Special Distribution Fund
AB 131 (Horton)	RSTF: Continuous Appropriation
AB 278 (Bermudez)	GPAC: Membership
AB 360 (Horton)	Slot Machines or Devices
AB 556 (Strickland)	Boards: Suspension of Salaries
AB 864 (Firebaugh)	Gambling: Work Permits
AB 1186 (Strickland)	Proposition Player Services
AB 1275 (Horton)	Indian Gaming: Pala Compacts
AB 1780 (Assm. GO)	Gambling Control Act: Clean-up

SB 742 (Johnson)	Gambling Control Act
SB 769 (Battin)	Indian Gaming: SDF; Pala Compacts
SB 814 (Vincent)	Gambling Control Act
SB 930 (Burton)	SDF: Shortfalls to RSTF
SCA 10 (Florez)	Legal Gaming: Prohibit Expansion

* Bill information is available at www.leginfo.ca.gov.

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